

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6472

BILL NUMBER: HB 1335

DATE PREPARED: Dec 7, 2001

BILL AMENDED:

SUBJECT: ADR Pilot Project.

FISCAL ANALYST: Mark Goodpaster

PHONE NUMBER: 232-9852

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill has the following provisions:

(A) It reauthorizes the Allen County Alternative Dispute Resolution (ADR) pilot project for parties contemplating divorce. It provides that the ADR project may include nonbinding arbitration.

(B) It permits a county other than Allen County to operate an ADR pilot project if the county: (1) uses a plan approved by the Judicial Conference; or (2) obtains approval by the Judicial Conference for a new plan.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Provision A: Allen County Circuit and Superior courts have been permitted to operate alternative dispute resolution programs as part of marriage dissolutions since 1997. This portion of the bill would allow for this program to continue through December 31, 2006. Alternative dispute resolution programs use mediation, reconciliation, and parental counseling to assist parties in the dissolution actions to resolve their differences in a more cooperative manner.

A followup study being submitted to the Indiana Judicial Center concludes that over two-thirds of the cases mediated reached a partial or full settlement. This reduces court time and leads to better control of the court calendar.

Provision B would permit courts other than Allen County courts to operate an alternative dispute resolution program. Implementation of a program could potentially improve movement of cases in the local court systems and reduce delay in the issuance of dissolutions.

Explanation of Local Revenues: Provision A: Allen County reports that between 1997 and 1999, the additional \$20 fee has generated \$54,918 in Allen County. Of these revenues, 57% were spent on mediation training, a facilitator in Allen Circuit Court, fees for mediation services, and a research consultant.

State Agencies Affected: Indiana Judicial Center.

Local Agencies Affected: Trial Courts.

Information Sources: *Report on the Study of the Allen County Family Relations Alternative Dispute Resolution Plan*, submitted to the Board of Directors of the Indiana Judicial Conference, December 9, 1999; Draft of Allen County Alternative Dispute Resolution Project Phase II, 2001; Tom Felts, Magistrate, Allen Circuit Court.